

*Furnish this exhibit for EACH foreign principal listed in an initial statement  
and for EACH additional foreign principal acquired subsequently.*

|   |   |                     |
|---|---|---------------------|
| 1. Name and address of registrant<br>AEGIS Insurance Services, Inc. (AISI)<br>Harborside Financial Center, Plaza Two<br>Jersey City, NJ 07302 |   | 2. Registration No. |
| 3. Name of foreign principal<br>Associated Electric & Gas Insurance Services Limited<br>(AEGIS)   | 4. Principal address of foreign principal<br>Argus Insurance Building<br>P.O. Box 1064<br>Hamilton 5, Bermuda |                     |

5. Indicate whether your foreign principal is one of the following type:

☐ Foreign government

☐ Foreign political party

☒ Foreign or ☐ domestic organization: If either, check one of the following:

☐ Partnership

☐ Committee

☒ Corporation

☐ Voluntary group

☐ Association

☐ Other (specify) \_\_\_\_\_

☐ Individual—State his nationality \_\_\_\_\_

6. If the foreign principal is a foreign government, state: Not Applicable

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state: Not Applicable

a) Principal address

b) Name and title of official with whom the registrant deals.

c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

AEGIS is a mutual insurance company owned by almost 300 U.S. gas and electric utilities. It underwrites general liability insurance, automobile liability coverage to which can be added fiduciary liability and excess employers' liability coverage. AEGIS also writes excess workers' compensation coverage.

b) Is this foreign principal

- Owned by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☒
- Directed by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☒
- Controlled by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☒
- Financed by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☒
- Subsidized in whole by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☒
- Subsidized in part by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☒

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

AEGIS is owned by its 300 electric and gas utility company policy holders.

Date of Exhibit A

Name and Title

Signature

January 21, 1987

Franklin D. Sanders, President

Franklin Sanders

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

| Name of Registrant                    | Name of Foreign Principal                                    |
|---------------------------------------|--|
| AEGIS Insurance Services, Inc. (AISI) | Associated Electric & Gas Insurance Services Limited (AEGIS) |

Check Appropriate Boxes:

1. ☐ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
2. ☐ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.

3. ☒ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

As part of their regular responsibilities, certain AEGIS Insurance Services, Inc. senior officers will attempt to minimize the adverse tax consequences of § 874 (branch office tax) if the 1986 Tax Act on policy holders of Associated Electric & Gas Insurance Services Limited. Such activities are within the scope of the general agency agreement, consequently no terms are set with respect to duration fees and expenses.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

The registrant will seek relief from the tax provisions of § 874 of the 1986 Tax Act, particularly through § 874(g) which authorizes the Secretary of Treasury to make appropriate adjustments in the implementation of the provision. Certain AISI officers who are short form registrants intend to advocate to Treasury Department officials relief for Aegis from § 874.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Registrant intends to confer with staff of appropriate Congressional committees and with counsel to develop arguments in support of relief from § 874. The activities will consist of oral and written communications and presentations to Congressional and Executive Branch personnel. These activities will be carried out directly by the short-form registrants.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>  
Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

As described above, the direct contact of Congressional and Treasury Department officials constitutes political activity. The position advocated would be on behalf of ARGIS and its utility company policy holders through personal visits, telephone calls and submission of written memoranda.

Date of Exhibit B

January 21,  
1987

Name and Title

Franklin D. Sanders  
President

Signature

*Franklin D. Sanders*

<sup>1</sup>Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.